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# 2005-2006 Biennium Financial Plan

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## ***Importance of Financial Planning***

*The County as an institution has multiple partners, including citizens, taxpayers, businesses, employees and other governments. As a major institutional, economic and service force in the region, it is important that the County strengthen its relationships with its partners by adopting clear and comprehensive financial policies.*

*Clark County is accountable to its citizens for the use of public dollars. County resources should be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs.*

*The 2005-2006 Adopted Budget is intended to serve as the County's financial plan to meet the established policy goals and objectives.*

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## ***Fund Types***

### **Governmental**

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Agency Funds

### **Proprietary**

- Internal Service Funds
  - Enterprise Funds
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## **Budget As A Financial Planning Document**

Budgets serve a wide variety of purposes. They can serve as policy making tools, management tools, planning tools, and communications devices. Ultimately, however, budgets are financial documents. They should provide a snapshot of the overall financial condition of an entity and of its financial plan for the coming period. This section provides that information. Other sections of the document present the budget in terms of services, programs, and organizational structures. This section focuses on the financial dimension, and is organized around individual funds, revenue sources, and categories of expenditures.

The 2005/2006 Clark County budget is a product of a strategic planning process which, through its statement of fiscal policies and budget objectives, provides a framework for funding decisions.

## **The 2005/2006 Budget and the Long-Range Plan**

The 2005/2006 Adopted Budget contains detailed funding information for the first two years of the long-range planning period. Current funding decisions frequently involve long-term financial implications and commitments. For this reason, it is critical that the budget be developed within the long-range plan to ensure that adequate resources will be available for future needs.

Clark County has extended its financial planning horizon to better plan for future funding needs by:

- Replacing the one year budget cycle with a biennial budget that began for the 1999/2000 period, and
- Developed long-range expenditure forecasts in key areas.

These enhancements effectively double the planning horizon.

## **Financial Structure of Clark County**

### **Fund Accounting**

Like most governmental entities, Clark County organizes its finances on the basis of "funds." A fund is a self-contained, independent financial entity with its own assets and liabilities. Each fund has its own balance sheet and, in effect, is treated as a separate "business" for accounting purposes.

The 2005-2006 budget includes expenditures for 107 funds, ranging from the General Fund (\$233.6 million) to the Park Development Fund (\$8,000). *A description of each fund is provided later in this section, including projected revenue, 2005/2006 adopted budget, beginning balance and ending balance.*

### **Fund Types**

Funds can be classified according to the accounting conventions which apply to them. "Governmental" funds are governed by accounting standards developed specifically for government. "Proprietary" funds are controlled by the same accounting standards which apply to private business. (For more details on this distinction, see Basis of Accounting, below). Within these categories, there are seven fund types (listed on the left).

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*The "basis of accounting" and the "basis of budgeting" determine when revenues and expenditures are recognized.*

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*Clark County, like most government entities, employs a hybrid basis of accounting termed "modified accrual".*

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*The "basis of accounting" and "basis of budgeting" are the same within each fund type.*

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*Internal (inter-fund) transactions represent non-cash expenditures and non-cash revenue because no cash enters or leaves the County as a whole.*

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*Internal transactions make up 19 percent of the 2005-2006 budget.*

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*The Washington State Budgeting Accounting & Reporting System (BARS) Manual sets forth both general principles of budgeting and detailed procedural guidelines used by Clark County.*

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## **Basis of Accounting and Budgeting**

The "basis of accounting" and "basis of budgeting" determine when revenues and expenditures are recognized for the purposes of financial reporting and budget control. Accounting on a "cash basis" means that revenues and expenditures are recorded when cash is actually received or paid out. This method is used by many small businesses, but it has limitations which make it unsuitable for larger, more complex organizations. Most larger businesses employ "full accrual accounting," in which revenues are recorded when earned (rather than when received), and expenditures are recognized when an obligation to pay is incurred (rather than when the payment is made). Capital expenses (the costs of acquiring tangible assets) are recognized over the life of the asset, not when the asset is purchased.

Governments typically employ a hybrid basis of accounting termed "modified accrual". Under this system, revenues are recognized when they become measurable and available; expenditures are recognized when the obligation to pay is incurred. However, capital expenditures are recognized at the time of the purchase. This means that governments may experience significant increases and decreases in total expenditures from year to year, because capital expenses tend to be large and unevenly timed. To help explain year to year expenditure trends, governments frequently report capital expenditures separately from operating costs in their budget documents.

Clark County uses modified accrual accounting and budgeting for its governmental fund types, including the General Fund, special revenue funds, debt service funds, and capital project funds. For proprietary fund types, including enterprise funds and internal service funds, the County uses full accrual accounting and budgeting.

## **Accounting for Internal Transaction**

One consequence of fund accounting is the existence of inter-fund transactions, including transfers, internal service payments, loans and capital contributions. These transactions record the movement of money between County funds. Internal (inter-fund) transactions represent non-cash expenditures and non-cash revenue when the County budget is viewed as a whole, because no cash enters or leaves the County.

Internal transactions have the impact of inflating the apparent size of the County budget. The 2005-2006 budget, which totals \$786.9 million, includes \$150.4 million of these internal transactions, or 19 percent. This tends to mask otherwise apparent expenditure trends. The financial information presented later in this section identifies cash and non-cash transactions separately to more clearly display underlying trends.

## **Washington State Budgeting Accounting & Reporting System**

State law empowers the State Auditor to prescribe a uniform chart of accounts and a uniform budgeting, accounting, and reporting system for all local governments in Washington. This system is known as the Budget Accounting and Reporting System (BARS).

Part Two of Volume One of the BARS Manual pertains to budgeting and contains general principles of budgeting and detailed procedural guidelines. These principles and guidelines are reflected in the County's budget process.

# Financial Overview

## Revenue & Expenditure Overview

The following table summarizes all revenues and expenditures over the eight year period from 1999 to 2006. Revenues are displayed by major source with external revenues shown separately from internal revenues. Expenditures are displayed by major category with external expenditures shown separately from internal expenditures.

It is notable that approximately 19 percent of revenues and expenditures result from internal transactions between Clark County entities. These internal transactions are also referred to as non-cash transactions because no cash enters or leaves the County. They are used primarily to keep track of operating subsidies or charges for internally provided services.

8 Year Revenue and Expenditure Summary (Millions)				
	99/00	01/02	03/04	05/06
	Actual	Actuals	Actuals	Budget
<b>Revenue Source</b>				
Property Tax	122.4	134.5	148.8	163.1
Sales Tax	40.5	43.2	49.5	53.4
Other Taxes	27.5	28.2	36.4	39.3
Charges for Service	66.8	70.9	88.5	90.7
Intergovernmental	98.8	128.0	138.3	150.2
Bond Proceeds	9.8	41.5	87.0	44.8
Other External Rev.	67.4	43.3	53.8	53.2
<b>External Revenue</b>	<b>433.2</b>	<b>489.6</b>	<b>602.3</b>	<b>594.7</b>
<b>Internal Revenue</b>	<b>105.9</b>	<b>131.4</b>	<b>139.1</b>	<b>152.3</b>
<b>Total Revenue</b>	<b>539.1</b>	<b>621.0</b>	<b>741.4</b>	<b>747.0</b>
<b>Exp. Category</b>				
Salaries & Benefits	160.6	185.4	217.2	242.1
Supplies & Services	167.7	177.4	205.3	236.6
Debt Service	29.0	27.2	48.5	39.1
Fixed Assets	77.1	98.9	101.0	118.7
<b>External Expenditures</b>	<b>434.5</b>	<b>488.9</b>	<b>572.0</b>	<b>636.5</b>
<b>Internal Expenditures</b>	<b>126.5</b>	<b>127.0</b>	<b>137.0</b>	<b>150.4</b>
<b>Total Expenditures</b>	<b>561.0</b>	<b>615.9</b>	<b>709.0</b>	<b>786.9</b>
<b>Annual Surplus (Deficit)</b>	<b>(21.9)</b>	<b>5.1</b>	<b>32.4</b>	<b>(39.9)</b>

As shown in the table, expenditures exceeded revenues by \$21.9 million in 99/00, essentially equaled in 01/02, revenues exceeded expenditures by \$32.4 million in 03/04, and then budgeted expenditures exceed revenues by \$40 million in 05/06.

This 99/00 reduction occurred primarily in the Road Fund and in two newly created capital project funds. The Road Fund used accumulated local revenue to fund additional transportation projects in 1999 and 2000. The two capital funds were created to track the Juvenile Center Expansion and the purchase of phase II open space land acquisition. In both cases, these represent a use of bond proceeds from a 1998 bond sale. Please see the Debt Summary for a detailed analysis. Expenditures essentially matched revenues for 2001/2002 as the level Road Fund expenditures and capital project expenses decreased over this period. In 03/04, bonds were issued for capital projects which did not get fully expended. The projects included the Community Health Center, Assessor/Treasurer tax tracking system, and acquisition of open space. The 05/06 projected budget reflects the completion of these capital projects.

A detailed analysis of expenditures and revenues for the current budget cycle and the prior six years is provided later in this section.

## Change in Fund Balance

The table below summarizes the 2005/2006 Clark County budget by type of fund. The beginning balances in the first column are estimates developed during the last month of 2004. From the beginning balances, revenues are added and expenditures are subtracted to arrive at the projected ending balance. The adopted budget schedule, which shows all funds individually, appears in

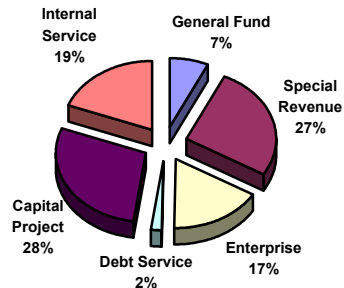
### Beginning Fund Balance Estimate \$179.3 million as of Jan. 1, 2005

*Beginning fund balances represent the unexpended financial resources available from prior years.*

### Ending Fund Balance Projection \$139.4 million on Dec. 31, 2006

*Ending fund balances represent the unexpended financial resources available to the County for future use. They serve a number of purposes such as providing a cushion against financial emergencies, operating liquidity, and the earmarking of funds for future projects.*

Ending Fund Balances as Percent of Total  
December 31, 2006



### 2005/2006 Budget by Type of Fund

	Beginning Balance	Revenues	Expenditures	Ending Balance
<b>General Fund</b>	<b>10,939,083</b>	<b>232,192,361</b>	<b>233,614,207</b>	<b>9,517,237</b>
Special Revenue Funds				
County Roads	1,891,263	97,717,118	97,245,411	2,362,970
Community Services Funds	21,219,068	95,035,330	96,605,896	19,648,502
Planning and Code Fund	215,899	30,813,069	30,884,352	144,616
Special Law Enforcement Fund	469,009	8,769,242	9,238,242	9
Clark County Fair Fund	1,277,229	5,545,966	5,551,835	1,271,360
Permanent Reserve	6,128,802	500,000	-	6,628,802
Health Department	2,861,716	35,292,317	36,393,630	1,760,403
GIS Fund	58,572	3,524,616	3,513,616	69,572
CRESSA Emergency	-	5,645,683	4,234,070	1,411,613
Other Special Revenue Funds	3,506,073	17,928,035	17,476,237	3,957,871
<b>Special Revenue Funds - Subtotal</b>	<b>37,627,631</b>	<b>300,771,376</b>	<b>301,143,289</b>	<b>37,255,718</b>
<b>Debt Service Funds - Subtotal</b>	<b>3,171,001</b>	<b>28,711,443</b>	<b>29,001,440</b>	<b>2,881,004</b>
Capital Project Funds				
Traffic Impact Fee Funds	1,181,456	4,453,532	4,614,775	1,020,213
CAD800 MHz System	1,182,486	3,664,608	2,065,014	2,782,080
Economic Development	4,128,344	2,610,970	2,610,970	4,128,344
Parks Dedicated Fund-1/4% REET	16,857,512	4,407,670	6,170,198	15,094,984
Park Impact Fee Funds	1,025,753	4,079,042	3,879,239	1,225,556
Real Estate Excise Tax	1,368,039	9,032,851	7,397,068	3,003,822
Community Wellness Center	28,608,369	2,708,258	31,065,258	251,369
Technology Reserve	7,995,621	4,248,000	12,165,764	77,857
Building Construction	8,543,619	4,455,827	4,766,705	8,232,741
Conservation Future-Parks	7,762,746	3,904,389	10,144,625	1,522,510
Other Capital Project Funds	3,016,939	829,353	1,284,533	2,561,759
<b>Capital Project Funds - Subtotal</b>	<b>81,670,884</b>	<b>44,394,500</b>	<b>86,164,149</b>	<b>39,901,235</b>
Enterprise Funds				
Wastewater Maintenance & Ops	2,516,191	16,044,625	13,774,274	4,786,542
Sewer Debt Service Fund	51,763	8,485,492	8,485,497	51,758
Solid Waste	4,083,782	4,168,965	4,064,002	4,188,745
Salmon Creek WWTP Construction	1,901,710	46,996,884	40,549,302	8,349,292
Clean Water	6,236,218	9,989,814	10,428,554	5,797,478
Sewer Fund	31,401	155,194	154,230	32,365
SCWPT Repair & Replacement Fund	144,681	237,755	327,755	54,681
<b>Enterprise Funds - Subtotal</b>	<b>14,965,746</b>	<b>86,078,729</b>	<b>77,783,614</b>	<b>23,260,861</b>
Internal Service Funds				
Equipment Rental & Revolving	3,858,367	20,888,051	23,703,749	1,042,669
Central Support Services	4,207,244	13,580,660	14,530,950	3,256,954
General Liability Insurance	2,439,700	5,300,074	2,860,084	4,879,690
DP Equipment Repair & Replacement	1,110,212	5,679,363	5,976,528	813,047
Elections	691,157	3,697,215	4,314,802	73,570
Workers Comp. Insurance	1,674,521	1,448,510	1,325,450	1,797,581
Major Maintenance Fund	350,153	100,000	190,000	260,153
Unemployment Insurance	2,834,346	811,900	1,414,350	2,231,896
MDC and Radio ER&R	-	80,000	80,000	-
Solid Waste Closure	13,197,386	0	1,532,476	11,664,910
Retirement/Benefits Reserve	77,120	1,437,262	1,406,524	107,858
BIA Block Grant Trust Fund	225,190	265,000	301,934	188,256
Commissary Trust Fund	298,631	1,579,000	1,581,000	296,631
<b>Internal Service Funds - Subtotal</b>	<b>30,964,027</b>	<b>54,867,035</b>	<b>59,217,847</b>	<b>26,613,215</b>
<b>Grand Total</b>	<b>179,338,372</b>	<b>747,015,444</b>	<b>786,924,546</b>	<b>139,429,270</b>

Appendix 1.

## Budget by Fund

### General Fund Revenue

Property Tax .....	88,718,052
Sales Tax .....	39,316,126
Other Taxes .....	16,513,917
Licenses / Permits .....	2,282,520
Intergovernmental .....	23,331,863
Charges for Services .....	32,789,288
Fines / Forfeitures .....	7,046,926
Miscellaneous .....	3,946,234
Other Sources .....	18,247,435
<b>Total Revenue .....</b>	<b>232,192,361</b>

### General Fund Expenditures

Salaries & Benefits .....	142,537,220
Supplies & Services .....	50,107,483
Debt Service .....	26,792
Capital Expenditures .....	78,116
Internal Exp. ....	40,864,596
<b>Total Expenditures .....</b>	<b>233,614,207</b>
<b>Fund Balance Decrease</b>	<b>1,421,846</b>

*Taxes account for 62 percent of General Fund revenues. Additional sources include intergovernmental revenues, transfers from other funds, fines, interest earnings, license and permit fees, charges for certain services, and indirect costs payments from other departments.*

## County Funds: Descriptions and Projected Balances

The following describes each County fund, purpose, principal revenue sources, and its overall financial condition for the FY 2005/2006 budget.

### General Fund

The General Fund is a governmental-type fund used mainly to account for the County's general purpose or "unrestricted" revenues. Like most government entities, Clark County has one general fund.

#### General Fund

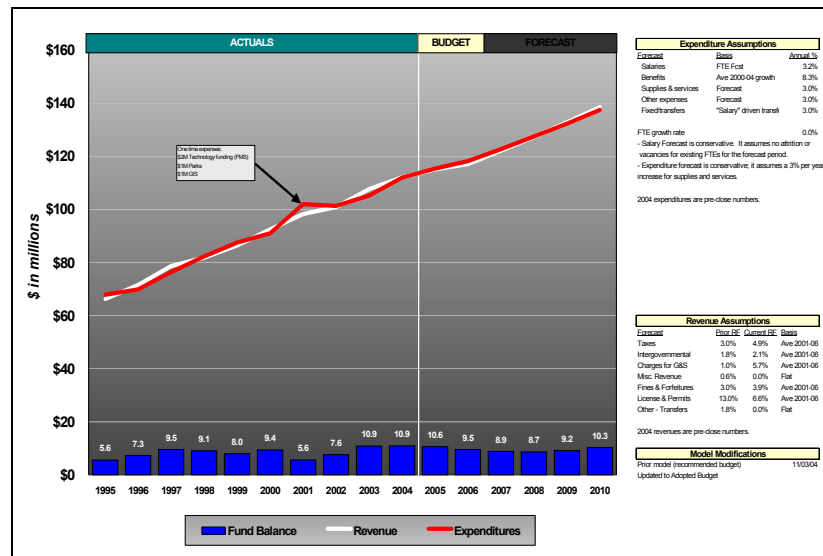
Beginning Balance .....	\$10,939,083
Revenues .....	232,192,361
Expenditures .....	233,614,207
Ending Balance .....	9,517,237

The General Fund is the County's largest single fund, and serves as the primary operating fund. Revenues that the County is not required to account for in a separate fund are deposited in the General Fund.

Broadly speaking, the General Fund accounts for the County's unrestricted resources. General Fund revenues, with a few exceptions, can be used for any appropriate public purpose and, as a result, requests for General Fund resources typically far exceed the amount available. The County's financial stability, and its ability to maintain service levels, depends heavily on a quality forecast of General Fund revenues and expenditures. A six year forecast was first developed in 1998 and continues to serve as the tool for developing budgets.

## General Fund Forecast

2005/06 Adopted Budget



The County Commissioners have allowed only limited growth of General Fund expenditures in 2005/2006 to more closely match the projected growth in revenue. The decreasing fund balance (yellow bar) in the later years of the forecast may signify a need to further restrict the growth in expenditures after 2004. Updates to the General Fund forecast are made annually. These identify emerging issues affecting either General Fund revenue or expenditures.

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## Special Revenue Funds

Special Revenue funds are governmental-type funds which account for revenues collected for specific, restricted purposes. The County has 35 such funds.

### County Road Fund

Beginning Balance .....	\$1,891,263
Revenues .....	97,717,118
Expenditures .....	97,245,411
Ending Balance .....	2,362,970

The Road Fund accounts for revenues dedicated to the planning, design, construction, and maintenance of roads in the unincorporated portion of the County. Principal revenue sources include a tax on unincorporated property in the county, a share of the State's gasoline tax, and capital project grants from the state and federal government. Despite the increased demands placed on the Road Fund, there has been sufficient revenue to support all of the projects listed in the Six-Year Transportation Improvement Program (TIP), due largely to revenue from extensive new development within the unincorporated area.

The Road Fund contains the budget for the design and engineering, and administrative functions of Public Works, including records and public information. Capital spending, chiefly for right-of-way acquisition, road construction and road overlays, accounts for 67 percent of the expenditures in this fund. The Road Fund also "buys" a significant amount of service from other County entities through internal service arrangements.

### Mental Health Fund

Beginning Balance .....	\$6,754,667
Revenues .....	43,390,527
Expenditures .....	43,544,405
Ending Balance .....	6,600,789

This fund, administered by the Department of Community Services, accounts for the County's mental health programs. Major revenue sources include state grants and a dedicated, countywide property tax levy. State grant funding for mental health has increased dramatically over the last few years.

### Community Development Fund

Beginning Balance .....	\$215,899
Revenues .....	30,813,069
Expenditures .....	30,884,352
Ending Balance .....	144,616

This fund accounts for the revenues and expenditures associated with land use planning, development review, and the enforcement of building and fire codes. In addition, the fund includes the revenues and expenditures of the Animal Control Division. Major revenue sources include building permits, planning fees, animal license fees, operating transfers from the General Fund and internal service payments from the Road Fund.

An 11.7% development fee surcharge was implemented for 2000 and continued for 2001 pending a rate review. New fees were adopted for 2003/2004, and again for 2005.

### Clark Housing Investment Fund

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Beginning Balance .....	\$349,153
Revenues.....	5,000,000
Expenditures.....	5,097,334
Ending Balance .....	251,819

Programs within this fund assist in the development of viable communities by providing decent housing, principally for persons of low and moderate income. State and federal grant revenue is used to fund the Housing Rehabilitation, Home Weatherization, Energy Assistance, Community Development Block Grant and the HOME Investment Partnerships programs.

#### **Special Law Enforcement Fund**

Beginning Balance .....	\$469,009
Revenues.....	8,769,242
Expenditures.....	9,238,242
Ending Balance .....	9

The Special Law Enforcement Fund is intended to account for the proceeds of the 2/10 percent County sales tax which is dedicated to the provision of additional law enforcement personnel. All revenue from this tax flows into the Special Law Enforcement Fund.

Each year, an amount is transferred from this fund to the General Fund based on the costs of certain staff in the Sheriff's Office. Any remaining tax is retained in the Special Law Enforcement Fund as a reserve.

#### **Youth and Family Resource Unit Fund**

Beginning Balance .....	\$108,551
Revenues.....	773,568
Expenditures.....	779,193
Ending Balance .....	102,926

This fund is used to provide services that are prevention oriented and aimed at reducing violence to families and youth. Expenditures also fund community action programs that support emergency food and shelter services.

#### **Substance Abuse Fund**

Beginning Balance .....	\$1,239,735
Revenues.....	7,770,144
Expenditures.....	7,707,262
Ending Balance .....	1,302,617

This fund receives State and Federal grants to provide drug and alcohol abuse treatment and related services. These services are provided through contracts with private-sector providers. The fund is administered by the Department of Community Services.

#### **Tourism Promotion Area (TPA)**

Beginning Balance .....	\$0
Revenues.....	1,785,000
Expenditures.....	1,785,000
Ending Balance .....	0

This fund was created in 2004 by inter-local agreement and includes the unincorporated area of Clark County as well as the incorporated area of the City of Vancouver. The TPA imposes a \$2 per room night charge on transient lodgers in hotels/motels with 40 or more rooms within the area. The Southwest Washington Convention and Visitors Bureau has sole discretion on how the TPA money is expended on tourism promotion.

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**County Fair Fund**

Beginning Balance .....	\$1,277,229
Revenues .....	5,545,966
Expenditures .....	5,551,835
Ending Balance .....	1,271,360

This fund accounts for the revenues and expenditures associated with the County Fairgrounds, including the annual Fair event. During 2004, management of the fairgrounds was transferred to the new private, non-profit Fair Site Management Group (FSMG). This group oversees all budgetary, event and operations of the fairgrounds, except the ten day county fair, which remains under the direction of the Fair Association. During 2004, as phase one of the Fairgrounds Master Plan, construction began on a new 100,000+ square foot Exhibition Hall. Under management of the FSMG, the first Exhibition Hall events are planned for March 2005. As revenue from gates, parking, concession, and rental fees increase, further construction at the fairground property is anticipated.

**Developmental Disability Fund**

Beginning Balance .....	\$886,433
Revenues .....	5,763,676
Expenditures .....	5,784,024
Ending Balance .....	866,085

This fund accounts for grant and property tax revenues received to provide services to the developmentally disabled. Services are provided through contracts with private-sector providers. This fund is administered by the Department of Community Services.

**Tri-Mountain Operating & Maintenance Fund**

Beginning Balance .....	\$31,801
Revenues .....	1,683,846
Expenditures .....	1,676,246
Ending Balance .....	39,401

This fund was created in 1997 to account for the operating revenue and expenditures associated with the Tri-Mountain Golf Course, which was acquired in mid-1997 from the Port of Ridgefield. Major revenue sources include green fees, rental charges, and merchandise receipts. Expenditures are primarily payments to the operating vendor, Billy Casper Golf, for course maintenance services.

**Geographic Information System (GIS) Services Fund**

Beginning Balance .....	\$58,572
Revenues .....	3,524,616
Expenditures .....	3,513,616
Ending Balance .....	69,572

This is a new fund created through the 1998 budget process to account for GIS service revenues and expenditures. These transactions were previously part of the General Fund. Separating GIS related revenue and expenditures from the General Fund will facilitate cost analysis and revenue tracking. The GIS Fund may ultimately be converted into an internal service fund.

**Auditor's Operations & Maintenance Fund**



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Beginning Balance .....	\$888,688
Revenues .....	611,000
Expenditures.....	734,542
Ending Balance .....	765,146

This fund, mandated by State law, accounts for certain revenues earmarked for the maintenance and preservation of public records. These revenue sources include a surcharge on the document recording fee and certain State shared revenue.

**CRCA Emergency Services Communication Fund (911 Tax)**

Beginning Balance .....	\$0
Revenues .....	5,645,683
Expenditures.....	4,234,070
Ending Balance .....	1,411,613

This fund accounts for a special telephone tax enacted by the voters of Clark County to improve the level of emergency communications services. The money in this fund is passed on to the Clark Regional Communications Agency (CRCA), where it finances Enhanced-911 service and Computer Aided Dispatching, and system replacement costs.

**Narcotics Task Force Fund**

Beginning Balance .....	\$157,780
Revenues .....	899,358
Expenditures.....	742,447
Ending Balance .....	314,691

This fund accounts for the revenues and expenditures associated with the joint Clark-Skamania Narcotics Task Force. This Task Force, which includes participation by both City and County law enforcement officials, is funded through asset seizure and grant revenues

**Child Abuse Intervention Center (CAIC) Fund**

Beginning Balance .....	\$158,360
Revenues .....	774,874
Expenditures.....	802,146
Ending Balance .....	131,088

This fund supports the administrative, clerical, and support staff for the joint Vancouver-Clark County child abuse investigation and prosecution effort. Expenditures include supplies and office space rental and have historically been financed with State shared revenue received through an agreement with the City of Vancouver, as well as grant revenues.

**Radio Communications Fund**

Beginning Balance .....	\$733,346
Revenues .....	1,711,346
Expenditures.....	1,672,524
Ending Balance .....	772,168

This fund was established in 1997 to account for the operating budget of the 800 MHZ communications system. Clark County is the regional provider of radio and dispatch service, and as such, receives funding from both internal and external users to operate the 800 MHz Radio Communication System.

**EMS Fund**

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Beginning Balance .....	\$545,618
Revenues .....	1,261,412
Expenditures.....	1,105,280
Ending Balance .....	701,750

The EMS Fund was created in 1995 to pay for contracted paramedic ambulance services. This separate fund was created in response to federal insurance regulations that require all revenues generated through fees and fines to go directly to patient care services.

**Community Services Administration and Grants Management Fund**

Beginning Balance .....	\$687,567
Revenues .....	9,115,295
Expenditures.....	9,081,553
Ending Balance .....	721,309

This fund is used to provide management and support for other Department of Community Services units, Clark County departments and the public. Services include administration, contract management, monitoring, and fiscal services.

**Veterans' Assistance Fund**

Beginning Balance .....	\$1,740,865
Revenues .....	649,536
Expenditures.....	527,519
Ending Balance .....	1,862,882

This fund accounts for the property tax levy dedicated by state law to veterans' assistance. This fund provides emergency financial assistance to veterans and their surviving spouses. In recent years, revenues have exceeded actual benefits paid out, resulting in the accumulation of a positive balance. This fund is administered by the Dept. of Community Services and is included in the "Community Services" line of the Budget by Fund table.

**Weed Management Fund**

Beginning Balance .....	\$19,790
Revenues .....	968,777
Expenditures.....	877,114
Ending Balance .....	111,453

This fund accounts for the activities of the County's Weed Management Program. The primary revenue source is a transfer from the General Fund. Additional revenues include fees paid by other agencies for weed assessments of newly acquired parcels of land, and State grants.

**Victim/Witness Program Fund**

Beginning Balance .....	\$448,022
Revenues .....	530,372
Expenditures.....	656,173
Ending Balance .....	322,221

This fund finances assistance to crime victims and witnesses. Revenues include penalties assessed against criminals and various grants. In 1995, the State Legislature changed the priority in which an offender pays fees, restitution, and other penalties. Crime victim and witness penalties are now below victim restitution in priority, resulting in a drop in revenue to the Victim Witness Fund. Revenue is anticipated to remain at the lower levels.

**Sheriff's Special Revenue Fund**

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Beginning Balance .....	\$402,236
Revenues.....	205,000
Expenditures.....	109,500
Ending Balance .....	497,736

This fund accounts for asset seizure revenues accruing to Clark County through drug investigations. In addition, special donations received by the Sheriff's Office are deposited into this fund.

**Permanent Reserve Fund**

Beginning Balance .....	\$6,128,802
Revenues.....	500,000
Expenditures.....	0
Ending Balance .....	6,628,802

This fund represents the County's emergency operating reserve. The 2005 beginning balance of \$6.1 million is 5.3 percent of annual General Fund costs. An additional \$500,000 is added for 2005 to maintain fiscal policy of 6% of general fund yearly revenues.

**Northwest Energy Code Fund**

Beginning Balance .....	\$1,575
Revenues.....	0
Expenditures.....	0
Ending Balance .....	1,575

This fund was closed in 1997. The balance will be transferred to the Community Development Fund at a later date to cover the cost of capital equipment for the Building Division.

**CJA 0.1% Sales Tax Fund**

Beginning Balance .....	\$59,833
Revenues.....	5,404,700
Expenditures.....	5,404,700
Ending Balance .....	59,833

This Fund was established with 1999/2000 adopted budget to track the newly enacted 1/10% Criminal Justice sales tax revenue. This tax revenue is dedicated to criminal justice uses with 10% allocated to early intervention for youth.

**Children's System of Care**

Beginning Balance .....	\$1,268,519
Revenues.....	3,675,000
Expenditures.....	3,743,332
Ending Balance .....	1,200,187

This Fund was established during the 1999/2000 adopted budget to build on a system of care for children with serious emotional disabilities. Grant funding pays for the comprehensive service delivery infrastructure for children and adolescents linking participating service systems with common outcomes, shared information systems, shared resources, and rigorous evaluation and an integrated case management system.

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**Human Services Council**

Beginning Balance .....	\$456,551
Revenues .....	849,008
Expenditures.....	853,055
Ending Balance .....	452,504

This Fund was established in 1999 to consolidate funding and operations of Ombudsman, Youth Investment, Volunteer Lawyers, and Community Choices formerly funded and operated by Clark County and City of Vancouver.

**Anti-profiteering**

Beginning Balance .....	\$59,024
Revenues .....	2,000
Expenditures.....	0
Ending Balance .....	61,024

This Fund was established to account for the proceeds of racketeering prosecutions. These funds are available to finance additional racketeering investigations and prosecutions.

**Health Department**

Beginning Balance .....	\$2,861,716
Revenues .....	35,292,317
Expenditures.....	36,393,630
Ending Balance .....	1,760,403

This fund was established in 2003/2004. Previously, the Health Department was a separate entity governed by a consortium of counties including Clark County. By agreement, the Health Department was consolidated and brought under direct jurisdiction of Clark County. The Department aims to preserve, promote and protect public health in the community.

**Miscellaneous Grants**

Beginning Balance .....	\$75,015
Revenues .....	2,791,988
Expenditures.....	2,792,680
Ending Balance .....	74,323

This fund was created in 2002 for miscellaneous revenues and expenses. The primary initiatives currently are support services for individuals living with HIV disease and drug related prevention programs developed in conjunction with the county court system.

**Weatherization/Energy**

Beginning Balance .....	\$2,245,830
Revenues .....	6,880,000
Expenditures.....	7,001,394
Ending Balance .....	2,124,436

Created with the 03/04 budget, this fund focuses on weatherization and energy assistance. Funding is used for outreach and assistance to low income households for payment of energy costs and low-cost residential weatherization and other cost effective energy related home repair for long-term reduction of energy costs.

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**CHIF**

Beginning Balance .....	\$2,668,309
Revenues .....	4,630,000
Expenditures.....	5,129,456
Ending Balance .....	2,168,853

Program resources are from the Clark Housing Investment Fund and State House Bill 1060. Initiatives are directed toward the production and support of affordable housing and the support of the operation of facilities providing shelter and housing for low income and homeless individuals and families.

**Prevention**

Beginning Balance .....	\$30,739
Revenues .....	346,588
Expenditures.....	349,450
Ending Balance .....	27,877

The Community Action Program provides programs and services for low-income families and individuals that meet basic needs and promote self-sufficiency. Services are provided through contracts with community-based organizations and are supported with a variety of federal, state, and local funds. The Community Action Program also seeks to involve the poor in the affairs of the community and supports the advocacy efforts for low-income people.

**Home**

Beginning Balance .....	\$89,697
Revenues .....	3,400,000
Expenditures.....	3,415,239
Ending Balance .....	74,458

To assist low-income residents with a supply of affordable rental housing, assist in homeownership and provide some operating funds to affordable housing not-for-profit organizations.

**Mental Health Reserve Fund**

Beginning Balance .....	\$2,617,437
Revenues .....	0
Expenditures.....	800,000
Ending Balance .....	1,817,437

Fund established as a reserve for the mental health program.

**Debt Service Funds**

Debt Service funds are governmental-type funds which account for payments on the County's debt obligation.

**General Obligation Bond Fund**

Beginning Balance .....	\$3,136,206
Revenues .....	28,711,443
Expenditures.....	29,001,440
Ending Balance .....	2,846,209

This fund accounts for principal and interest payments on the County's general obligation bond debt. Payments are financed with transfers from the General Fund, Road Fund, Sanitary Wastewater Fund, Solid Waste Fund, County Fair Fund, Conservation Futures Fund, Real Estate Excise Tax Fund, Tri-Mountain Operations and Maintenance Fund, Building Construction Fund, and the 911 Tax Fund.

**Capital Project Funds**

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Capital Project funds are governmental-type funds which account for the acquisition of capital equipment, land, and other major assets, as well as construction projects. The first seven funds listed below record the receipt of ongoing impact fees or tax revenues which are legally dedicated to a particular capital use (e.g., road projects or park projects). Other capital funds track an individual capital project. The County currently has 44 capital project funds.

**Traffic Impact Fees (TIF Funds)**

Beginning Balance .....	\$1,181,456
Revenues .....	4,453,532
Expenditures .....	4,614,775
Ending Balance .....	1,020,213

This category represents seven (7) funds which, for the purposes of reporting, have been combined into one category. They reflect revenues and expenditures from various traffic service areas. Dollars are transferred from these impact fee funds to the Road Fund and are used as matching funds for eligible road construction projects.

**Real Estate Excise Tax (REET) Fund**

Beginning Balance .....	\$1,368,039
Revenues .....	9,032,851
Expenditures .....	7,397,068
Ending Balance .....	3,003,822

This fund accounts for the proceeds of the primary Real Estate Excise Tax. Revenue is dedicated to financing capital projects identified in the County Comprehensive Plan. Expenditures for 2005/2006 include transfers to the debt service fund for specific bonded capital projects eligible for REET funding.

**Conservation Futures Fund I**

Beginning Balance .....	\$ 6,692,592
Revenues .....	3,904,389
Expenditures .....	9,169,187
Ending Balance .....	1,427,794

This fund accounts for a portion of the special county-wide property tax levy of \$0.0625 per \$1,000 of value which is dedicated to the acquisition of open space, sensitive lands, and lands intended to remain undeveloped. Expenditures support phase III of an acquisition program begun with a 1994 bond sale. Bonds were issued in 2004 to support phase III.

**Conservation Futures Fund II**

Beginning Balance .....	\$ 1,070,154
Revenues .....	0
Expenditures .....	975,438
Ending Balance .....	94,716

This fund accounts for a portion of the special county-wide property tax levy of \$0.0625 per \$1,000 of value which is dedicated to the acquisition of open space, sensitive lands, and lands intended to remain undeveloped. Expenditures support phase II of an acquisition program initiated in 1998 with a bond sale.

**Park Impact Fee Funds (PIF Funds)**

Beginning Balance .....	\$1,025,753
Revenues .....	4,079,042

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Expenditures.....	3,879,239
Ending Balance .....	1,225,556

This category includes twenty (20) separate funds which track revenues within the respective park districts. The City of Vancouver and the County Parks Departments consolidated into a single regional Parks Department in 1997. Dollars received in the PIF funds are now transferred to the City for park development and acquisition.

**Parks Real Estate Excise Tax Fund**

Beginning Balance .....	\$ 16,857,512
Revenues.....	4,407,670
Expenditures.....	6,170,198
Ending Balance .....	15,094,984

The Parks Real Estate Excise Tax Fund was established in 1997 to track the revenues and capital expenditures related to the one-quarter percent (0.25%) real estate excise tax. During 03/04, the county allocated this tax 50/50 between parks and Economic Development Fund. The parks portion of the tax is dedicated to funding parks development throughout the County. The majority of tax received into this fund is transferred to the City of Vancouver for urban park development.

**County Cumulative Building Fund**

Beginning Balance .....	\$ 2,025,135
Revenues.....	40,000
Expenditures.....	400,000
Ending Balance .....	1,665,135

Fund balance from the Real Estate Excise Tax (REET) is held in this fund for capital and as match for certain grants. Some funds will be transferred to the Real Estate Excise Tax Fund (3056) to cover the costs of capital.

**Building Construction Fund**

Beginning Balance .....	\$ 8,543,619
Revenues.....	4,455,827
Expenditures.....	4,766,705
Ending Balance .....	8,232,741

This fund was created in the 1995 budget to separate the budgeting for capital buildings from equipment acquisitions and to accumulate reserves intended for future building construction. Transactions also include the revenue streams associated with funding debt on the Public Service Center.

**Capital Acquisition Fund**

Beginning Balance .....	\$ 128,849
Revenues.....	0
Expenditures.....	100,000
Ending Balance .....	28,849

This fund accounts for the purchase of a wide variety of capital assets, ranging from park land to office furniture. It is financed primarily by fund transfers from the General Fund and other funds, but may also receive grant funds or other revenues, depending upon the assets which are acquired.

**Tri-Mountain Capital Fund**

Beginning Balance .....	\$23,304
Revenues.....	2,000

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Expenditures.....	20,000
Ending Balance .....	5,304

This fund was created in 1997 to account for the ongoing capital improvements to the course and supporting facilities. The Tri-Mountain Golf Course was acquired in mid-1997 from the Port of Ridgefield using proceeds of a general obligation bond offering. The 2005 beginning balance represents unexpended bond proceeds and operating transfers which will be used to further improve the course.

**Water Quality Capital Fund**

Beginning Balance .....	\$0
Revenues.....	1,000
Expenditures.....	0
Ending Balance .....	1,000

This fund provides for land acquisition, design, and construction of regional storm water control facilities. It also provides for rehabilitation of stream corridors through re-vegetation and habitat restoration. This fund will be closed in 2005, balance transferred to the Clean Water Fund.

**Stadium/Convention Fund (Hotel / Motel Tax)**

Beginning Balance .....	\$312,421
Revenues.....	464,533
Expenditures.....	764,533
Ending Balance .....	12,421

This fund receives the revenues generated by the County's room tax on hotels and motels in the unincorporated area. It is used to finance activities which stimulate tourism and the local economy.

**Juvenile Expansion Capital Fund**

Beginning Balance .....	\$80,000
Revenues.....	0
Expenditures.....	80,000
Ending Balance .....	0

This fund was established in 1997 to track the costs related to the Juvenile Justice Center expansion and the \$10 million bond that was issued in 1998 to finance project. The project was completed in 2002. Accumulated earnings will be transferred to the Campus Development fund.

**Campus Development Fund**

Beginning Balance .....	\$513,172
Revenues.....	10,820
Expenditures.....	0
Ending Balance .....	523,992

This fund was established in 2000 to track the costs related to the Public Service Center. This project will create additional courtrooms, offices, and provide consolidated services which are currently housed in several leased offices. Project will be completed in 2005.

**CAD/800 MHz System Replacement Fund**

Beginning Balance .....	\$1,182,486
Revenues.....	3,664,608



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Expenditures.....	2,065,014
Ending Balance .....	2,782,080

This fund was established for 2001 to track the costs related to the replacement of existing 800 MHz System capital (E-911 service). Funding will be through transfers from the CRESA Emergency Services Fund for routine equipment replacements.

#### **CVTV PEG Access Fund**

Beginning Balance .....	\$8,451
Revenues.....	1,000
Expenditures.....	0
Ending Balance .....	9,451

This fund accounts for the collection of fees from the City of Vancouver/Clark County cable access provider. Use of the proceeds goes toward providing capital funding for cable access to the Public, Education community, and Government.

#### **Economic Development REET II**

Beginning Balance .....	\$4,128,344
Revenues.....	2,610,970
Expenditures.....	2,610,970
Ending Balance .....	4,128,344

This fund was created in 2002 after the County adopted the extension of the Parks Real Estate Excise Tax that was scheduled to sunset. In doing so, the County split the collection to go half to Parks program and created an economic development program funded by the second half. The purpose of the program is to encourage the development of infrastructure partnering with the private sector.

#### **Health Department Campus Facility**

Beginning Balance .....	\$28,608,369
Revenues.....	2,708,258
Expenditures.....	31,065,258
Ending Balance .....	251,369

The County in conjunction with other non-profit social service providers are progressing with plans to consolidate services under one roof. Construction began in 2004 with completion expected in 2005. The county partnered with the Veteran's Administration to co-locate at the present Vancouver Barracks.

#### **Information Reserve Fund**

Beginning Balance .....	\$7,995,621
Revenues.....	4,248,000
Expenditures.....	12,165,764
Ending Balance .....	77,857

The County developed and had approved an Information Systems Strategic Plan to replace 20 year old "legacy" systems. These systems include the general ledger, HR/Payroll, CATS, and others. In 2002, the general ledger system was replaced with an Oracle based FMS system. For 2003/04, the HR and budget system will be replaced. During 2005/2006, the Assessor/Treasurer property tracking system, and elections system will be replaced.

### **Enterprise Funds**

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Enterprise funds are proprietary-type funds that account for operations intended to be substantially self-supporting through user charges or fees, similar to a private business. The County has eight such funds.

**Solid Waste Fund**

Beginning Balance .....	\$ 4,083,782
Revenues .....	4,168,965
Expenditures .....	4,064,002
Ending Balance .....	4,188,745

This fund accounts for the cost of administering the solid waste collection and disposal activities in the County, including waste reduction and recycling. Revenues are collected through a surcharge on garbage collection rates and curbside recycling fees. Recycling fees are passed through the County to an external service provider.

**Salmon Creek Wastewater Collection System Fund**

Beginning Balance .....	\$31,401
Revenues .....	155,194
Expenditures .....	154,230
Ending Balance .....	32,365

This fund accounts for the debt service payments for the Meadow Glade wastewater system and receives associated connection fees from Meadow Glade properties.

**Salmon Creek Wastewater Treatment Plant Operations Fund**

Beginning Balance .....	\$2,516,191
Revenues .....	16,044,625
Expenditures .....	13,774,274
Ending Balance .....	4,786,542

This fund accounts for the operating costs and fee revenue related to the treatment plant and County-owned regional interceptor lines.

**Salmon Creek Wastewater Treatment Plant Debt Fund**

Beginning Balance .....	\$ 51,763
Revenues .....	8,485,492
Expenditures .....	8,485,497
Ending Balance .....	51,758

This fund makes debt service payments on revenue and general obligation bonds, and Public Works Trust Fund loans for to the treatment plant.

**Salmon Creek Wastewater Treatment Plant Capital Fund**

Beginning Balance .....	\$ 1,901,710
Revenues .....	46,996,884
Expenditures .....	40,549,302
Ending Balance .....	8,349,292

This fund tracks the expansion project at the treatment plant and the regional interceptor lines that handle wastewater from homes and businesses in the Hazel Dell, Battle Ground, Orchards, Meadow Glade, and Hockinson areas. The County is currently planning for the next phase of construction.

**Salmon Creek Wastewater Plant Replacement Fund**

Beginning Balance .....	\$ 144,681
Revenues .....	237,755

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Expenditures.....	327,755
Ending Balance .....	54,681

This fund provides for major repairs and replacement of equipment and facilities at the treatment plant and for regional interceptors. The plant and interceptors must meet the requirements of the National Pollutant Discharge Elimination System (NPDES) permit under which the plant operates.

#### **Clean Water Fund**

Beginning Balance .....	\$ 6,236,218
Revenues.....	9,989,814
Expenditures.....	10,428,554
Ending Balance .....	5,797,478

This fund established in 2000 to provide a mechanism to collect, track, and budget revenues and expenditures related to Clark County's adopted Clean Water Ordinance. Fees are collected from County residents via formula to fund the maintenance and operation of drainage activities and capital infrastructure.

### **Internal Service Funds**

Internal Service funds are proprietary-type funds that account for operations that provide services to other County departments. They receive support from these internal customers and, in some cases, from external customers by charging for services rendered. The County currently has twelve internal service funds.

#### **Unemployment Insurance Fund**

Beginning Balance .....	\$2,834,346
Revenues.....	811,900
Expenditures.....	1,414,350
Ending Balance .....	2,231,896

This fund is the County's self-insurance reserve for unemployment compensation. Revenues include contributions from all County funds which support payroll expenses; contributions are a fixed percentage of employee salaries. Expenditures represent the payment of claims and administrative fees to the State of Washington.

#### **Elections Fund**

Beginning Balance .....	\$691,157
Revenues.....	3,697,215
Expenditures.....	4,314,802
Ending Balance .....	73,570

This fund accounts for the cost of voter registration and conducting elections. Revenues include reimbursements from other jurisdictions for registration and election services and General Fund support.

#### **General Liability Insurance Fund**

Beginning Balance .....	\$2,439,700
Revenues.....	5,300,074

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Expenditures.....	2,860,084
Ending Balance .....	4,879,690

This fund is the County's self-insurance reserve for general liability. Revenues include contributions from the General Fund, the Road Fund, and certain other County funds. Expenditures include payment of claims, settlements, and support for the cost of the Risk Management function within the General Fund.

**Worker's Compensation Insurance**

Beginning Balance .....	\$1,674,521
Revenues .....	1,448,510
Expenditures.....	1,325,450
Ending Balance .....	1,797,581

This fund is the County's self-insurance reserve for workers' compensation claims. Revenues include contributions from all County funds which support payroll expenses. Expenditures include claims paid and fees paid to the State.

**Retirement/Benefits Reserve Fund**

Beginning Balance .....	\$77,120
Revenues .....	1,437,262
Expenditures.....	1,406,524
Ending Balance .....	107,858

This fund was established in 1995 to reflect costs associated with LEOFF 1 retirement program members' medical costs. Revenues represent a transfer from the General Fund.

**Equipment Rental and Revolving Fund**

Beginning Balance .....	\$3,858,367
Revenues .....	20,888,051
Expenditures.....	23,703,749
Ending Balance .....	1,042,669

This fund owns, maintains, and replaces the County's fleet of vehicles and heavy equipment. It also purchases inventories of fuel, road rock, and road oil. Revenues are generated via vehicle and equipment rental charges and charges for inventory "sold" to other County operations.

**Data Processing Equipment Rental and Revolving Fund**

Beginning Balance .....	\$849,499
Revenues .....	3,401,668
Expenditures.....	3,785,591
Ending Balance .....	465,576

This fund owns, maintains, and replaces virtually all of the County's personal computers and related peripheral devices. Revenues in this fund are generated via rental charges paid by participating departments. Beginning in 2001, the rate charged to each department was based on a \$1,300 per PC. The rate was lowered in 03/04 to \$1,003, remaining there for 05/06.

**Server Equipment Repair & Replacement Fund**

Beginning Balance .....	\$260,713
Revenues .....	2,277,695

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Expenditures.....	2,190,937
Ending Balance .....	347,471

This fund owns, maintains, and replaces virtually all of the County's network servers. Revenues in this fund are generated through indirects charged to non-general fund departments and from the general fund.

#### **Central Support Services**

Beginning Balance .....	\$4,207,244
Revenues.....	13,580,660
Expenditures.....	14,530,950
Ending Balance .....	3,256,954

This fund accounts for the costs of maintaining County buildings, utilities (heat and electricity), and the operation of the County's central store of general office supplies. Revenues include building rents charged to non-County occupants, General Fund support, and charges for office supplies leased to County departments.

#### **MDC & Radio ER&R Fund**

Beginning Balance .....	\$0
Revenues.....	80,000
Expenditures.....	80,000
Ending Balance .....	0

New in 2001, this fund accounts for the repair and replacement of Mobile Data Terminals and 800 MHz radios utilized by the County Sheriff's Office. Revenues include one-time funding from the Equipment Rental & Revolving Fund and the Sheriff's Special Revenue Fund. On-going funding is through equipment rates. This will provide a systematic method of replacing equipment.

#### **Major Maintenance Fund**

Beginning Balance .....	\$350,153
Revenues.....	100,000
Expenditures.....	190,000
Ending Balance .....	260,153

This fund is established in 1998 to replace the Major Maintenance Reserve [Capital] Fund, thereby changing the designation to an internal service fund. Revenues are transferred from other County funds. Expenditures are primarily for building materials and supplies.

#### **Jail Commissary Fund**

Beginning Balance .....	\$251,546
Revenues.....	1,571,000
Expenditures.....	1,571,000
Ending Balance .....	251,546

This fund was established in 1998 to account for the personal property of individuals incarcerated in the County Jail. Any balance remaining in an individual's account is returned upon release.

#### **BJA-Block Grant Trust Fund**

Beginning Balance .....	\$225,190
Revenues.....	265,000
Expenditures.....	301,934

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Ending Balance ..... 188,256

This fund was established in 2003 to account for block grant receipts from the Department of Justice.

**Solid Waste Closure**

Beginning Balance ..... \$13,197,386  
Revenues ..... 0  
Expenditures ..... 1,532,476  
Ending Balance ..... 11,664,910

This fund accounts for the closure and monitoring activities related to a landfill. The fund was established in response to a state order for monies to be set aside to ensure aquifers do not become contaminated.

**Juvenile Fund**

Beginning Balance ..... \$47,085  
Revenues ..... 8,000  
Expenditures ..... 10,000  
Ending Balance ..... 45,085

This fund was established to account for the personal property of individuals incarcerated in the juvenile detention center. Any balance remaining in an individual's account is returned upon release.